

**TODAY'S WEATHER**  
**LIKE IT HOT?** Expect sunny skies throughout the day.  
 High: 81. Low: 50.  
 Details, B8



**IN THE NEWS**

**A little I-5 rivalry in U.S. Open Cup**  
 A spirited Northwest soccer rivalry gets new life tonight when the MLS Seattle Sounders FC travels to Portland to play the USL Timbers in a third-round game in the U.S. Open Cup. The game will be televised on FSN.  
**SEE STORY, PAGE B1.**

**A different site for NYK Line at port?**  
 A deal is still on track to bring NYK Line to the Port of Tacoma by 2012, but now port officials say they don't know if the Tokyo-based shipping line will build a container terminal on the Blair-Hylebos Peninsula.  
**SEE STORY, PAGE A16.**

**Franken finally headed to Senate**  
  
 Norm Coleman, the Republican opponent of Democrat Al Franken, bowed out of the Minnesota Senate race Tuesday after the state Supreme Court ruled Franken should be

certified the winner of the race  
**SEE STORY, PAGE A6.**



**HealthyStyle magazine from Parade**  
 See what actress Katherine Heigl has to share about the secrets to her success. Plus, find a get-fit walking plan and tips on healthy skin.  
**SEE MAGAZINE, INSIDE.**

**WHAT'S NEW ONLINE**  
 Find out what's happening in Tacoma, Seattle and the South Sound with our Go & Do Guide. You'll find music shows, the best restaurants and the latest art gallery listings. Plan your Fourth of July weekend too.  
**GO TO CALENDAR.THENEWSTRIBUNE.COM.**

**COMING THURSDAY IN ADVENTURE**  
 If you're among the thousands of folks itching for the snow to melt on Mount Rainier so you can hit the trails, check our report on what's open, what's closed and what's new at the mountain.

**WHAT'S INSIDE**

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**YANKEES' LATE RUNS WASTE M'S RALLY**  
 SPORTS, B1



**DESSERT OVER AN OPEN FIRE**  
 SOUNDLIFE, C1

**Judges make their plea to keep court**

**BY STEVE MAYNARD**  
 The News Tribune  
 Federal Way's two Municipal Court judges argued their case for not dissolving their court in front of city leaders Tuesday night.  
 Judge Dave Larson cited higher costs as a major reason for the city not to contract with King County District Court. "We need to act to strengthen our court and restore public confidence," Larson said.

**Please see JUDGES, back page**

**INDICTMENT NAMES LOCAL STRIP CLUB**

**PARKLAND: Federal case alleges prostitution at Fox's, three others**

**BY ADAM LYNN**  
 The News Tribune  
 A Tacoma man who runs a Pierce County strip club is a key figure targeted by the federal government in its bid to shut down a criminal enterprise reportedly run by the notorious Colacurcio family,

according to a grand jury indictment unsealed Tuesday in Seattle.  
 Steven Michael Fueston, 61, 47; and others to promote prostitution at four strip clubs in Pierce, King and Snohomish counties, including Fox's in Parkland, the indictment states.  
 The indictment alleges the men ran the businesses in a way to maximize profits from the illegal activity and cheated the City of Seattle out of tax receipts by under-reporting the number of customers who patronized one of the businesses.  
 The grand jury indicted Fueston, the Colacurcios and four others on

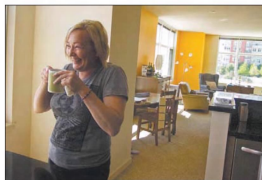
**Please see STRIP CLUB, back page**

**Esplanade a little too quiet**



**A lone light illuminates a corner of the largely empty Esplanade condo project along Tacoma's Foss Waterway as the sun sets Monday.**

**JOE BARRENTINE/The News Tribune**



**Kari Redal loves her new condominium in The Esplanade even though she has almost no neighbors. The project on Tacoma's Thea Foss Waterway has sold only 13 of its 162 units.**

**PETER HALEY/The News Tribune**

**W**ant to alarm a resident at The Esplanade?  
 Stand in front of an elevator when it opens.

The people who live there aren't used to running into anyone in the lobby, on the landing or the secure parking garage.

Finding someone waiting when the elevator doors open would be worth mentioning to the neighbors.

If there were any. Of the building's 162 units, only 13 have sold. Of those, only 10 are occupied.

That's devastating to the developers. The Esplanade is reportedly facing foreclosure in August if it can't get new

**Please see MERRYMAN, back page**



**KATHLEEN MERRYMAN**



**PHOTO GALLERY |** For more images from The Esplanade, visit our Web site.

**JACKSON TRIBUTE**

A young fan dances to the music of Michael Jackson during a tribute to the late singer Tuesday at Harlem's Apollo Theater in New York. Jackson died Thursday.

**SEE STORY, PAGE A11**



**Developer reveals waterfront hotel plan**

**BY JOHN GILLIE**  
 The News Tribune  
 A Bellingham hotel developer formally unveiled a plan Tuesday to build two hotels and an office building on a near-downtown Tacoma waterfront site.

Hollander Investments' hotel construction plan could fulfill the Foss Waterway Development Authority's long-held desire to bring guest lodging to the waterway.

The authority has struggled unsuccessfully for five years with two developers

to get a hotel built on the formerly industrial inlet of Commencement Bay.

But while Hollander appears to have better access to money than prior developers and ample prior hotel construction and operational experience, much remains to be done before groundbreaking can happen. Hollander Investments built and operates downtown's Courtyard by Marriott and two other hotels in Puyallup.

Among the jobs that must be done:  
 ■ Further development of specific

plans for the three buildings.  
 ■ Approval of those designs by the authority's design committee.

■ Creation of a revised development agreement satisfactory to both the authority and Hollander.

■ Sale of the property to Hollander by its present owner, Robert Thurston of Seattle. Thurston spent four years trying to develop hotel plans he could get financed. In the end, he failed.

**Please see HOTEL, back page**



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# Government considers regulating Tylenol dosage

**ACETAMINOPHEN:** To prevent deaths, panel of experts recommends new restrictions

BY MATHIE PERRONE  
The Associated Press

ADELPHI, Md. — Experts called for sweeping safety restrictions Tuesday on the most widely used painkiller, including reducing the maximum dose of Tylenol and

eliminating prescription drugs such as Vicodin and Percocet.

The Food and Drug Administration assembled 37 experts to recommend ways to reduce deadly overdoses with acetaminophen, which is the leading cause of liver

failure in the U.S. and sends 56,000 people to the emergency room annually. About 200 die each year.

"We're here because there are inadvertent overdoses with this drug that are fatal and this is the one opportunity we have to do something that will have a big impact," said Dr. Judith Kramer of Duke University Medical Center. Over-the-counter cold medi-

cines — such as Nyquil and Therflu — that combine other drugs with acetaminophen can stay on the market, the panel said.

The FDA is not required to follow the advice of its panels, though it usually does. The agency gave no indication when it would act on the recommendations.

In a series of votes Tuesday, the panel recommended 21-16 to low-

er the maximum dose of over-the-counter acetaminophen from 4 grams, or eight pills of a medication such as Extra Strength Tylenol.

The panel also endorsed limiting the maximum single dose of the drug to 650 milligrams. That would be down from the 1,000-milligram dose, or two tablets of Extra Strength Tylenol. The industry group that repre-

sents Johnson & Johnson, Wyeth and other companies defended the current dosing that appears on over-the-counter products.

"I think it's a very useful dose and one that is needed for treating chronic pain, such as people with chronic arthritis," said Linda Snydam, president of the Consumer Healthcare Products Association.

## JUDGES

CONTINUED FROM A1

The City Council is weighing cost estimates for continuing its Municipal Court or contracting with King County District Court.

Presiding Municipal Court Judge Michael Morgan, who is one reason council member Eric Faison asked the council in May to have staff members study alternatives to the Municipal Court.

"I've heard a lot of bad things about our court," Morgan said. "But there's a lot of good things too."

He cited one-day-a-week juries and the care used in setting red-light camera fines as ways the court functions well.

"We can communicate on issues of common concern," Morgan told the City Council.

Bryant Enge, the city's chief financial officer, estimated it will cost the city \$256,573 more in 2009 to contract with King County District Court than to operate its own court.

But the Municipal Court's 2009 budget of \$1.47 million doesn't include costs of human resources claims or other litigation.

Legal exposure, including litigation involving Morgan, is one reason council member Eric Faison asked the council in May to have staff members study alternatives to the Municipal Court.

Faison said Tuesday night that the "quality of justice" in the Municipal Court is unquestioned. But he added there is an "intolerable lack of trust" with the court as well as inadequate communication and concern over liability.

The City of Federal Way paid



Federal Way Municipal Court Judge Michael Morgan addresses the City Council at a special meeting Tuesday to investigate the possibility of outsourcing the courts to King County.

\$99,468.82 in attorney fees through May 21 defending itself in Morgan's lawsuit against the city to block the release of a report on a hostile-workplace claim by a court clerk.

The city also paid \$11,035 for the 44-page investigative report, called the

Stephson Report.

The state Supreme Court last month ordered the release of the report by investigator Amy Stephson. In it, she concluded Morgan yelled at court employees, made sexist or rude remarks to court clerks, boasted about his status as the

judge and boss, and retaliated against those who crossed him.

Morgan said last month "that much of this report contains false and misleading information, as well as situations taken completely out of context."

Morgan was reprimanded by the state

Commission on Judicial Conduct in December for swearing at the police chief, making intimidating comments to court staff members, and making inappropriate jokes and comments to court employees.

Until the Municipal Court's creation in 2000, misdemeanor cases were handled by contract through a King County District Court branch previously based in Federal Way.

Mayor Jack Dovey said the council will have another study session on the court issue and could decide whether or not to terminate the Municipal Court at its July 21 meeting. Council member Linda Kochmar said continuing with the Municipal Court would cost less and maintain local control.

But Barbara Linde, presiding judge for the King County District Court, told the council she was "not at all convinced your costs would go up with King County."

Larson highlighted why he believes the Municipal Court would cost less. He also suggested several steps for improving the court, including forming a city committee to foster better communication.

Both Morgan and Larson are asking voters to retain them as judges for four more years.

Morgan, 50, is seeking re-election as one of the city's two Municipal Court judges in the Aug. 18 primary. Five candidates are running against him.

Larson, 51, who was appointed in February 2008 to an unexpired term, is running for the court's other position. Each position pays \$134,623 annually.

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## MERRYMAN

CONTINUED FROM A1

financing.

Mark Ossola and Thea Foss Holdings LLC bet on the beauty of the site and the idea that living on the waterfront in downtown Tacoma is beyond cool.

Smart bet, bad timing.

Thea's Landing condominiums, across a vacant parcel just up the waterway, did well as a mix of condos and apartments. Spacious condos with killer views and competitive prices seemed like a bankable idea, but The Esplanade was almost completely late last year when the real estate market tanked and took the rest of the economy down with it.

By then, Kari Redal already had bet on the project, with near-perfect timing. Redal, a fourth-grade teacher at Stafford Elementary School, was one of The Esplanade's first buyers.

(OK, everyone who lives there is one of The Esplanade's first buyers.)

In July 2007, her house at Browns Point was floating on top of the real estate bubble when she realized just how much she hated yardwork, and how much she loved what Tacoma is making of itself.

Her father had heard about The Esplanade, and they checked out the sales office. Based on the plans, drawings and a model, she put money down on a 2,000-square-foot corner unit on the second floor.

She put the house on Browns Point on the market, and sold it in May 2008, for about twice what she paid for it.

She closed on her condo at The Esplanade on Dec. 17, and moved just after Christmas.

She loves it, even without neighbors on every side.

The vacant space has perks, and twinges.

The secure parking lot's an example. She parks by the elevator, instead of in her assigned space.

"We have kind of scared each other there, because you don't expect to see someone," she said.

Otherwise, the emptiness has never crept her out.



PETER HALEY/The News Tribune

In the lobby of The Esplanade, a model of the condo project is juxtaposed with a reflection of Thea's Landing, a similar building that's been almost fully occupied. That's the building manager Colleen Angle in the background. In this difficult real estate market, The Esplanade — on Tacoma's Foss Waterway — is struggling to sell its 162 units and faces foreclosure in August if it can't find financing.

"I'm surprised it doesn't," she said. "It just feels like home, so it doesn't bother me."

Having most of the building to herself is an unexpected luxury.

If there's a loud party in the building, it's probably far enough away so neighbors won't hear it.

She never has to wait for the treadmill in the exercise room.

She knows all her neighbors. "There's not much social life, but people seem very friendly. I took care of their kitty," she said, pointing to one of the decks on her level.

They've had a few residents' meetings, and everyone can fit in one room. She's hoping they'll have another soon as they know more about the building's financial

situation, and how it will affect them.

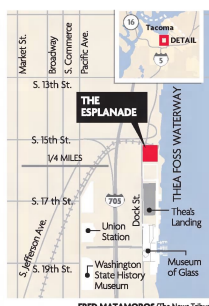
"I've seen homebuyers' fees can't be enough to maintain the building, so that needs to be solved, she said. Lending is tight, but she'd prefer to keep the building in homeownership, not apartments.

But she's not stressing.

"I just learned about it when I read it in the paper," Redal said. "That's how everybody's heard of it. It's not surprising, given the economy. I look at the fact that I'm here for the long haul. If property values drop, hopefully they'll come back up."

She'd be heartened to meet James Work, who agrees, and who wants into the building. The two have common ground: They hate yardwork.

"I would love to be a homeowner here,"



FRED MATAMOROS/The News Tribune

he said. "But I have to sell my home in Stielacoom."

He's come several times to see the building, and brought a friend to get a tour from real estate agent Judy Mayfield on Monday.

"We have a database full of people like him," she said of Work.

They're just waiting for the market to turn and lending to loosen up.

The condos run from \$240,000 to \$990,000 based on size and location, she said.

"Ten are occupied," she said. "Three are pending."

Snowbirds have bought a couple. Parents have bought them as residences for their children who attend the University of Washington Tacoma.

Work loves the units. He loves the public spaces. He loves the location.

He's got no love for the real estate market that's keeping him in a house instead of the condo of his dreams.

"I want to live here," he said.

Chances are Redal could get used to having a new neighbor.

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## STRIP CLUB

CONTINUED FROM A1

charges of racketeering, conspiracy, money laundering and mail fraud.

Also indicted were Colacuorio associates Lenoy Richard Christiansen, 67, of Seattle; David Carl Ebert, 61, of Monroe; and John Gilbert Conte, 75, of Bothell.

None of the men was arrested Tuesday. They've been ordered to appear in U.S. District Court in Seattle for arraignment July 24.

Efforts to reach Fueston were unsuccessful Tuesday. David Bukey, an attorney who represents Fox's, declined to comment.

John Wolfe, an attorney for Seattle resident Colacuorio Jr., told The Seattle Times that his client "looks forward to proving his innocence at trial." Colacuorio Sr., who lives in Lake Forest Park, called the charges a "lot of malarky," according to The Times.

Convictions for violating federal Racketeering Influenced Corrupt Organization laws alleged in the indictment could mean prison terms of up to 20 years for Fueston and the alleged co-conspirators.

The government also intends to seek forfeiture of real estate associated with the alleged crimes, assets of the corporations that run the clubs and \$25 million in cash, the U.S. Attorney's Office in Seattle announced.

"Our trial team has interviewed more than 200 witnesses, reviewed thousands of pages of reports, transcripts of wire taps and video surveillance of activities at the clubs," said Jeffrey Sullivan, the U.S. attorney for Western Washington. "We look forward to proving the RICO conspiracy in court."

Government agents last June conducted high-profile raids at the four clubs: Rick's in Seattle, Sugar's at Shoreline, Honey's in Everett and Fox's. They carted off reams of documents and served restraining orders that froze the clubs' assets.

The conspirators pressured the dancers into performing illegal sex acts on customers by requiring the women to pay "rent" in order to continue working at the clubs, the indictment states. The amount ranged from \$75 per shift at Sugar's to \$130 at Rick's.

Customers used credit cards and ATM machines installed inside the clubs to buy tokens to pay for the sex acts, authorities have said. The clubs received a 10 percent fee for all credit card and ATM transactions, according to the indictment.

"It was further part of the conspiracy that the defendants sought to maximize the flow of customers and dancers to the clubs because the defendants' revenues increased with greater numbers of customers and/or dancers in the clubs," the indictment states.

"Dancers are going to do different things," Fueston allegedly replied. "But out."

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## HOTEL

CONTINUED FROM A1

The authority board Tuesday voted unanimously to begin the hard work of revising the existing development plan and set its Aug. 19 meeting to approve the plan.

Developer Mark Hollander said Tuesday that he hopes to buy the property from Thurston by Sept. 1. If he doesn't have to seek new shoreline permits for the project, construction of the hotel and hotel could begin by January, Hollander told the Foss board.

Under Hollander's preliminary plan, the buildings would be constructed in phases, with one hotel being built first. The unbuilt half of the site would serve as a staging area for construction of the first nine-story hotel building. The hotel site is between the Esplanade condominiums and Thea's Landing on Decade Street.

The second hotel would follow, with the office structure being built last. Together, the three structures would form a U-shaped building with the open end of the U facing the waterway. Collectively, the three buildings would contain nearly 260,000 square feet. The two hotels would have about 250 rooms together. Moving ahead on the second hotel and office building will likely depend on the health of the economy both nationally and locally, he said.

The decision by Tacoma's Russell Investments whether to stay in Tacoma or move to Seattle could play a large role in that decision, he said. Russell is expected to make that decision this fall.

Hollander's initial plans call for one hotel becoming a Hilton, either a Garden Inn or the more modest Hampton Inn. The second would be a Marriott extended stay facility. The developer told the board he's unsure which will come first. The answer will depend on who develops the mix of hotel rooms existing or planned in Tacoma.

The hotelier's plans for mid-range properties drew a caution from former Foss board member Frank Jacobs, himself a former developer and former head of the authority's design review committee. Jacobs reminded authority board members that the authority had envisioned a boutique hotel on the property — a smaller upscale establishment that would make best use of the rare waterfront site.

The authority shouldn't rush in drawing up a new development agreement because it could regret its hasty decisions for up to 100 years, he said.

"We already made some mistakes once," he said, referring to the initial developer. "Let's get it right this time."

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